

*Accepting Bid Would be a Slap in the Face to American Workers,
Sensitive National Security Intelligence Could Fall Into Wrong Hands*

Washington, DC - Congressman Maurice Hinchey (D-NY) today urged the Department of Defense to reject a potential bid for the presidential helicopter program from China's state-run China Aviation Industry Corporation (AVIC). The Wall Street Journal recently reported that AVIC may offer its AC-313 helicopter for use in the next Marine One fleet. In a letter to Defense Secretary Robert Gates, Hinchey argued that accepting such a bid would be a slap in the face to American workers and would risk putting sensitive intelligence information into the wrong hands.

"The President of the United States of America should not be flying around in a helicopter that is made in China. It was a \$4 billion mistake to cancel the presidential helicopter program in the first place, but putting a state-run Chinese company in the running for the new project would be a slap in the face to American workers," said Hinchey. "If the Chinese actually won the contract, our most sensitive national security information, the technology and systems we use to transport our president could be put directly into the hands of a foreign power. I cannot imagine a worse mistake. I've urged Secretary Gates to consider these implications, and I hope that upon looking into the matter he will make the right decision."

Hinchey vehemently opposed scrapping the entire presidential helicopter program. Instead, he successfully put forward and gained House approval for an alternative approach, which would have provided the White House with a full fleet of helicopters within the original budget requirements of the VH-71 program, while eliminating the second, more costly version of the helicopter. Instead, \$4 billion spent on the original program has been wasted and the Department is now working toward awarding a new program that the Navy estimates will cost \$10-17 billion.

Hinchey's letter to Gates follows. A PDF can be found [here](#) 

February 8, 2011

The Honorable Robert M. Gates
Secretary of Defense
1000 Defense Pentagon
Washington, DC 20301-1000

Dear Secretary Gates:

I am writing to strongly urge you to reject any bid by a state-owned Chinese firm for the upcoming presidential helicopter program. Not doing so could result in sensitive national security technology falling into the wrong hands and would be seen by American workers as a slap in the face.

As you may recall, I strongly argued against your decision to cancel the entire presidential helicopter program. The House voted to fund an alternative approach that would have provided the White House with a full fleet of helicopters within the original budget requirements of the program, while scrapping the second, more costly version of the helicopter. Instead, \$4 billion spent on the original program has been wasted and the Department is now working toward awarding a new program that the Navy estimates will cost \$10-17 billion.

The Wall Street Journal recently reported that state-run China Aviation Industry Corporation (AVIC) may offer its AC-313 helicopter for use in the next Marine One fleet. Helicopter transportation for the President of the United States is one of the nation's most sensitive national security requirements and the prospect that the Department of Defense may be considering a Chinese aviation solution raises serious concerns. In addition, it is unclear how the Department would comply with the Buy American Act (41 U.S.C. §§ 10a through 10d) and take into account the substantial government subsidies associated with a Chinese-built helicopter. I respectfully request that the Department promptly provide the Congress with answers to the following:

- Is the Department in receipt of information regarding the AC-313 from AVIC or U.S. Aerospace and is the AC-313 being considered in the ongoing Analysis of Alternatives for the VXX program?
- What is the likelihood that a Chinese-built helicopter would comply with the Buy American Act requirement that the cost of foreign components not exceed 50% of the cost of all components?
- What is the Department's position on contracting with a company from a country that is not

party to the Agreement on Government Procurement (GPA) of the World Trade Organization?

- What systems does the Department have in place to ensure that sensitive U.S. technology would not fall into the hands of the Chinese military through collaboration on this program?

Please consider the impact on national security and American jobs before utilizing a state-owned Chinese solution for the presidential helicopter program. Thank you for your time and attention to this critical issue.

Respectfully,

Maurice D. Hinchey